GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:3202
ANSWERED ON:14.12.2005
TELEPHONE SERVICES IN RURAL AREAS
Mehta Shri Bhubneshwar Prasad

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether some private telecommunication service providers have not fulfilled the licence conditions for providing telephone services in rural areas and the said companies have been allegedly managing to get the rural phone policy changed time and again;

(b) if so, the details thereof;

(c) the details of the policy for providing telephone services by private telecommunication service providers in rural areas;

(d) the names of private companies which have flouted the terms and conditions for providing telephone services in rural areas; and

(e) the action taken by the Government against these companies?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) to (e) Licence granted to six private Basic Service Operators viz. M/s Shyam Telelink Ltd., M/s Bharti Telenet Ltd., M/s Reliance Telecom Ltd., M/s HFCL Infotel Limited, M/s Tata Teleservices Limited and M/s Tata Teleservice (Maharashtra) Ltd. in 1997-98 stipulated a condition of providing 97806 Village Public Telephones within first three years of effective date of licence. The private basic operators failed to fulfill their commitments and liquidated damages of Rs. 53.75 crores were recovered for delay in commencement of service and non-provisioning of Direct Exchange Lines and Village Public Telephones. Consequent to announcement of Unified Access Service Licence regime in November, 2003, all private Basic operators migrated to Unified Access Service Licence regime after payment of prescribed entry fee equivalent to 4th cellular service licence and accordingly, the roll out obligations were changed equivalent to that of 4th cellular service licence i.e. coverage of 50% of District Headquarters or any other town in leiu of District Headquarter within three years. At present, there is no mandatory roll out obligations for private operators in rural areas. It will not be appropriate to conclude that the said companies have been allegedly managing to get the rural policy changed time and again. Universal Service Obligation Fund has been set up w.e.f. 01-04-2002 to provide access to basic telegraph services to people in rural and remote areas at affordable and reasonable price.